

Message Text

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TAGS: PFOR, PINT, PGOV, ECON, IT
SUBJECT: FAREWELL TO PADUA

REF A. MILAN 1596 B. MILAN 1373 C. MILAN 1031

1. SUMMARY. ALTHOUGH PADUA'S ECONOMY MOVING ALONG NICELY AND PUBLIC DISORDERS ALMOST NON-EXISTENT, PROVINCE'S POLITICAL PARTIES ARE IN FERMENT. CHARACTER OF DC SAID TO BE CHANGING UNDER PRESSURE FOR REFORM AND RESULTS OF JUNE 20 NATIONAL

ELECTIONS. OLD BOSSES RUMOR AND GUI, FOR EXAMPLE, SEEM WASHED UP AND ACTIVISTS LIKE MINISTER ANTONIO BISAGLIA AND LEFTIST CARLO FRACANZANI ARE TRYING TO FILL VOID. CASUALTY, ACCORDING TO MANY, IS PARTY UNITY. SOCIALISTS, HELD IN CONTEMPT BY DC FOR KOWTOWING TO COMMUNITIES AT MUNICIPAL LEVEL AND HAVING ABSORBED PADUA VOTERS' REJECTION AT POLLS, APPEAR UNABLE - AND IN GREAT PART UNWILLING - TO EXTRICATE THEMSELVES FROM COMMUNIST EMBRACE. PCI, WHICH STOOD STILL IN RECENT ELECTIONS IN PADUA, IMPRESSES EVERYONE WITH ITS DETERMINATION AND CAPACITY FOR HARD WORK. ALTHOUGH PARTY NOT FORMALLY IN CITY EXECUTIVE, CONSULTATIVE ARRANGEMENT DEMANDED BY
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SOCIALISTS MEANS PCI HAS EFFECTIVE VETO. ACTIVIST DC

MAYOR CLAIMS TO BE FIGHTING COMMUNISTS DOGGEDLY BUT ADMITS CONCESSIONS MUST BE MADE TO THEM AS WELL. IN SHORT, POLITICS IN PADUA REFLECTS UNSETTLED STATE OF DEMOCRATIC PARTIES AND DETERMINED ADVICE OF PCI EVIDENT ALSO AT NATIONAL LEVEL. END SUMMARY.

1. EXECUTIVE OFFICER AND LOCAL ECONOMIC SPECIALIST TRAVELLED TO PADUA SEPTEMBER 16 TO MAKE FINAL REPORT BEFORE ITS TRANSFER TO TRIESTE CONSULAR DISTRICT. CALLS WERE MADE ON PREFECT, MAYOR, RECTOR OF UNIVERSITY, FORMER DC PROVINCIAL SECRETARY, PSI PROVINCIAL VICE SECRETARY, LOCAL JOURNALIST (FOR GAZZETTINO DI VENEZIA), AND HEADS OF INDUSTRIAL ASSOCIATION, CHAMBER OF COMMERCE, AND PROVINCIAL FARMERS' ASSOCIATION, LATTER OF WHICH IS NEWLY-ELECTED DC DEPUTY.

3. PADUA'S ECONOMY, NEVER PARTICULARLY DEPRESSED, IS LOOKING BETTER, IN GREAT PART ON STRENGTH OF EXPORTS. CHEMICALS, FURNITURE, SHOES, AND SOME MACHINE TOOLS ARE DOING WELL. USE OF GOVERNMENT-SUBSIDIZED WAGE FUND DIMINISHING FAST, AS IS ABSENTEEISM. AGRICULTURAL SECTOR, WHICH FEARED GRAVE CONSEQUENCES FROM EARLY SUMMER DRYNESS (REF. A), HAS SEEN PRODUCTION RETURN TO NORMAL.

4. PROBLEMS ARE, ABOVE ALL, THAT OF TIGHT CREDIT (FEWER THAN TEN PERCENT OF PADUA'S INDUSTRIES ARE SELF-FINANCING), AND CONSEQUENT LOW INVESTMENT. RECENT CHAMBER OF COMMERCE STUDY SAYS ONLY 42 PERCENT OF PADUA FIRMS HAVE PLANS FOR INVESTMENT FOR 1976-1977. ANOTHER PROBLEM IS INFLATION. CHAMBER OF COMMERCE OFFICIAL FEARED IT WOULD REACH 20 PERCENT PER YEAR. ESPECIALLY HIT IS FARM SECTOR. LASTLY, INTERNAL DEMAND, WHILE RISING, IS STILL NOT BACK TO THAT OF PAST YEARS.

5. IN TERMS OF SOCIAL UNREST, CITY OF PADUA HAS REMAINED FAIRLY PEACEFUL, NOT EASY TASK FOR UNIVERSITY TOWN OF 60,000 STUDENTS. RECTOR CLAIMS HIS CHARGES INCLUDE NO MORE THAN 200 EXTRAPARLIAMENTARIANS, TINY MINORITY WHO ARE MADE TO OBEY RULES LIKE OTHERS - AT LEAST INSIDE UNIVERSITY CONFIRMS. FOREIGN STUDENT TROUBLE-MAKERS HAVE BEEN THREATENED WITH LOSS OF THEIR RESIDENCE PERMITS IN ITALY, AND THAT HAS BEEN LIMITED OFFICIAL USE

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ENOUGH. ON LABOR SCENE, RELATIONS ARE GOOD AND PUBLIC CONFRONTATIONS HAVE BEEN AVOIDED, ACCORDING TO INDUSTRIAL SOURCES.

6. THERE IS NO PEACE, HOWEVER, IN POLITICS, AND NO PARTY IS MORE IN FERMENT THAN DC. PARTY'S SUCCESS IN JUNE 20 ELECTIONS - 56.5 PERCENT OF CHAMBER VOTE V. 53.1 IN LAST YEAR'S LOCAL ELECTIONS - HAS NOT SLOWED PROCESS OF CHANGE THAT BEGAN

MONTHS BACK. THERE HAVE BEEN MAJOR LEADERSHIP SHIFTS, FOR EXAMPLE. MARIANO RUMOR IS SAID TO BE BE FINISHED, VICTIM OF LOCKHEED REVELATIONS. ANOTHER FORMER MINISTER, LUIGI GUI, JUST ELECTED SENATOR, HAS SUFFERED INJURY FROM SAME SOURCE. THROUGH PEOPLE SAY THEY DON'T BELIEVE HIM GUILTY OF BRIBE TAKING, EVERYONE AGREES HIS INFLUENCE IS DIMINISHED LOCALLY. VENETO POLITICIAN, ON THE OTHER HAND, WHOSE STOCK IS ALLEGEDLY RISING FAST IS MINISTER ANTONIO BISAGLIA, FROM ADJACENT ROVIGO PROVINCE. HIS BACKERS SUPPOSEDLY INCLUDE NEW EDITOR OF GAZZETTINO DI VENEZIA AND SEVERA OF MOST IMPORTANT CASSA DI RISPARMIO BANK PRESIDENTS.

7. CHANGES, TOO, APPEAR TO BE IN STORE FOR PROVINCIAL

PARTY LEADERSHIP. DC PROVINCIAL SECRETARY ADRIANO ZOCCARATO, A MOROTEO, HAS RESIGNED AND WILL SOON BE REPLACED. DC OBSERVERS EXPECT PROVINCIAL PARTY LEADERSHIP, DOMINATED UNTIL NOW BY MOROTEO AND FORZE NUOVE FACTIONS, TO PASS UNDER MORE MODERATE CONTROL. CRITICS OF PRESENT PROVINCIAL LEADERSHIP, LIKE FORMER DC PROVINCIAL SECRETARY, CLAIM, ON ONE HAND, THAT ZOCCARATO HAS BEEN CAUTIOUS, DO-NOTHING SECRETARY AND, ON OTHER, THAT FORZE NUOVE FIREBRANDS LIKE DEP. CARLO FRACANZANI ARE TOO CLOSE TO PCI AND ARE DAMAGING PARTY UNITY IN BARGAIN. EVEN SUCCESS IN JUNE 20 ELECTIONS OF SEVERAL NEW FACES SEEN BY SOME AS MIXED BLESSING. JOURNALIST CLAIMED THAT CONCENTRATION ON ELECTING NEW AND MORE APPEALING INDIVIDUALS RATHER THAN PROMOTING PARTY WAS WRONG APPROACH, ADDING THAT IMPRESSIVE WINNER LIKE SMALL INDUSTRIALIST NATALE GOTTARDO - WITH MOST PREFERENCE VOTES IN PADOVA'S CONSTITUENCY - WILL BE ABLE TO DO LITTLE ON HIS OWN. EVEN BACKING OF CHURCH IS TWO-EDGED SWORD. CHURCH'S MAN AMONG SUCCESSFUL CANDIDATES, BENIAMINO BROCCA, IS ALSO SAID TO BE LEFTIST AND ANOTHER POTENTIAL PAIN IN LIMITED OFFICIAL USE

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SIDE OF PARTY UNITY.

8. PADUA COMMUNISTS, ALTHOUGH DECIDED MINORITY (22.7 PERCENT OF VOTE FOR CHAMBER IN JUNE 20 ELECTIONS, PRACTICALLY SAME AS RESULTS ONE YEAR BEFORE), ARE ABLE TO THROW WEIGHT AROUND. THEY HAVE, FOR EXAMPLE, BEEN ABLE TO BLOCK DC MAYOR'S AMBITIOUS URBAN RENEWAL PLANS BY VIRTUE OF SOCIALISTS' DEMAND THAT PCI BE CONSULTED IN CITY EXECUTIVE BEFORE MEASURES ARE ADOPTED. (PCI IS TAKING POSITION THAT LONGER-RANGE PLANS - INCLUDING MODERNIZATION OF RAIL AND ROAD DISTRIBUTION NETWORK AND CONCENTRATION OF CITY AND OTHER ADMINISTRATIVE OFFICES IN ONE LOCALE, AND WHICH WOULD INVOLVE RELOCATION OF PEOPLE - MUST BE SHELVED AND SERVICES IMPROVED ON BASIS OF PRESENT CITY LAYOUT. MAYOR, A YOUTHFUL UNIVERSITY ENGINEERING PROFESSOR KNOWLEDGEABLE ABOUT CITY PLANNING

VOWS TO LEAK ALL HIS PLANS TO NEWSPAPERS AS LAST RESORT IF THEY
FIND NO HEARING THROUGH NORMAL CHANNELS.) IN DEFERENCE TO
PCI POWER, DC TREATS COMMUNITIS GINGERLY. DC MAYOR
REPORTEDLY EXPLAINED TO ONE COLLEAGUE THAT HE HAD HAD
TO GIVE PCI NICEST AREA IN TOWN FOR ANNUAL L'UNITA'
FESTIVAL IN ORDER TO SOFTEN COMMUNIST POSITIONS ON OTHER
MATTERS. WHETHER PCI INTRANSIGENCE - AND SOCIALIT
ACQUIESCENCE - WILL NECESSITATE NEW CITY ELECTIONS IS
STILL POSSIBILITY. PSI VICE SECRETARY SAID, HOWEVER,
THAT BREAK WOULD PROBABLY NOT COME UNTIL AFTER CHRISTMAS,
WHEN POSSIBILITIES FOR COMPROMISE WOULD HAVE BEEN
EXHAUSTED.

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9. AS FOR PSI, ARTICULATE, SLIGHTLY ABSTRACT PROVINCIAL
VICE SECRETARY OF PADUA PARTY (MOSTLY ALLIED TO LEFTIST
LINE OF FORMER NATIONAL HEAD DE MARTINO) REFUSED TO ADMIT
ANY IMPORTANT DISPARITY OF VIEWS ON QUESTION OF PSI-PCI
RELATIONSHIP BETWEEN LOCAL PSI AND NATIONAL PARTY. ON
POSSIBILITY OF NEW LAY ALLIANCE OF SMALL PARTIES AND
SOCIALISTS, HE WAS DECIDEDLY AGAINST PSI'S JOINING FORCES
WITH THREE PARTIES WHOSE MUTUAL DIFFERENCES WERE PROFOUND AND
TWO OF WHICH (PLI AND PSDI) WERE MORIBUND. VICE SECRETARY'S
GENERALLY REASONED PRESENTATION, HOWEVER, MUST BE BALANCED

AGAINST DC INTERLOCUTORS' SEVERE CRITICISMS OF PSI BEHAVIOR IN PADUA. THEY CONSIDERE SOCIALISTS EITHER HOPELESSLY INDECISIVE OR SIMPLY PCI LACKEYS. AT LEAST SOME FORMER PSI VOTERS SEEM TO FEEL SIMILARLY. PADUA PSI GOT ONLY 8.2 PERCENT OF CHAMBER VOTE ON JUNE 20, DROP OF 1.3 PERCENTAGE POINTS FROM JUNE 1975 RESULTS.

10. BOTH DC AND PSI, THEREFORE, ARE PREOCCUPIED TO CERTAIN EXTENT WITH INTERNAL AND INTRA-PARTY PROBLEMS. DC POLITICIANS ON MOVE HAVE MORE MODERN - AND SOMETIMES FAR MORE LEFTIST - OUTLOOK THAN OLD BOSSES, BUT TO WHAT EXTENT THIS WILL TRANSLATE INTO CLOSER APPROACHES TO PCI LIMITED OFFICIAL USE

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IS HARD TO SAY. TWO OF BIGGEST NAMES - BISAGLIA AND FRACANZANI - ARE FAR APART ON THIS QUESTION. WHETHER MORE MODERN OUTLOOK WILL PROMOTE BREAK-UP OF DC CLIENTELISTIC SYSTEM IS ALSO HARD TO FORETELL. FRACANZANI AND FRIENDS ARE FOR SUCH AN OUTCOME, BUT BISAGLIA APPEARS TO BE FOLLOWING IN FOOTSTEPS OF HIS MENTOR RUMOR IN THIS REGARD - AND BISAGLIA'S INFLUENCE IS GROWING. QUICK TRANSFORMATIONS IN SYSTEM, AT ANY RATE, ARE NOT IN CARDS. PSI, FOR ITS PART, NEEDS COHERENT LINE AND PROBABLY SOME FRESH BLOOD TO IMPLEMENT IT. PCI, MEANWHILE, SEEMS FROM OUTSIDE TO BE MOVING ALONG LIKE WELL-OILED MACHINE, SECURE IN THE RESPECT OF ITS ADVERSARIES AND FACING THE FUTURE WITH DEDICATION AND APPARENT CALM. FINA

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